

**TOWNSHIP OF CEDAR GROVE
ESSEX COUNTY NEW JERSEY**

SPECIAL PUBLIC MEETING

MINUTES

MAY 17, 2021

1. ROLL CALL AND FLAG SALUTE

Mayor Peterson called the meeting to order at 7:00 p.m.

Present: Councilmembers Cicala, Maceri, Zichelli, Deputy Mayor Tanella, Mayor Peterson

Also Present: Township Manager Tucci, Attorney Nabbi for Township Attorney Giacobbe,
Township Clerk Stutz

The flag salute was led by Mayor Peterson.

Mayor Peterson made the required announcement concerning the Open Public Meetings Act as follows: Adequate notice of this meeting was duly provided to the Verona-Cedar Grove Times and the Star Ledger by fax and on May 4, 2021, filed with the Township Clerk, and posted on the public bulletin board in the Municipal Building Lobby in accordance with the Open Public Meeting Act.

2. NEW BUSINESS

- a) To consider introduction of Pending Ordinance #20-871 to exceed the Municipal Budget Appropriation Limits and Establish a Cap Bank

The Clerk read the Ordinance by title only:

**ORDINANCE TO EXCEED THE MUNICIPAL BUDGET APPROPRIATION
LIMITS AND TO ESTABLISH A CAP BANK
(N.J.S.A. 40A: 4-45.14)**

WHEREAS, the Local Government Cap Law, N.J.S. 40A: 4-45.1 et seq., provides that in the preparation of its annual budget, a municipality shall limit any increase in said budget up to 1.0% unless authorized by ordinance to increase it to 3.5% over the previous year's final appropriations, subject to certain exceptions; and,

WHEREAS, N.J.S.A. 40A: 4-45.15a provides that a municipality may, when authorized by ordinance, appropriate the difference between the amount of its actual final appropriation and the 3.5% percentage rate as an exception to its final appropriations in either of the next two succeeding years; and,

WHEREAS, the Township Council of the Township of Cedar Grove in the County of Essex finds it advisable and necessary to increase its CY 2021 budget by up to 3.5% over the previous year's final appropriations, in the interest of promoting the health, safety and welfare of the citizens; and,

WHEREAS, the Township Council hereby determines that a 3.5% increase in the budget for said year, amounting to \$312,326.33 in excess of the increase in final appropriations otherwise permitted by the Local Government Cap Law, is advisable and necessary; and,

WHEREAS the Township Council hereby determines that any amount authorized hereinabove that is not appropriated as part of the final budget shall be retained as an exception to final appropriation in either of the next two succeeding years.

NOW THEREFORE BE IT ORDAINED, by the Township Council of the Township of Cedar Grove, in the County of Essex, a majority of the full authorized membership of this governing body affirmatively concurring, that, in the CY 2021 budget year, the final appropriations of the Township of Cedar Grove shall, in accordance with this ordinance and N.J.S.A. 40A: 4-45.14, be increased by 3.5%, amounting to \$12,930,309.86, and that the CY 2021 municipal budget for the Township of Cedar Grove be approved and adopted in accordance with this ordinance; and,

BE IT FURTHER ORDAINED, that any that any amount authorized hereinabove that is not appropriated as part of the final budget shall be retained as an exception to final appropriation in either of the next two succeeding years; and,

BE IT FURTHER ORDAINED, that a certified copy of this ordinance as introduced be filed with the Director of the Division of Local Government Services within 5 days of introduction; and,

BE IT FURTHER ORDAINED, that a certified copy of this ordinance upon adoption, with the recorded vote included thereon, be filed with said Director within 5 days after such adoption.

Deputy Mayor Tanella moved that Pending Ordinance #21-871 be passed at first reading, published in the Verona-Cedar Grove Times as a pending ordinance with a public hearing of June 7, 2021, seconded by Councilman Maceri, and passed by the following vote:

AYE: Councilmember Cicala, Maceri, Zichelli, Deputy Mayor Tanella, Mayor Peterson

NO: None

- b) To consider introduction of Pending Bond Ord. #21-872 – Various Capital Improvements

The Clerk read the Ordinance by title only:

PENDING BOND ORDINANCE # 21-872

BOND ORDINANCE AUTHORIZING VARIOUS GENERAL IMPROVEMENTS IN AND FOR THE TOWNSHIP OF CEDAR GROVE, IN THE COUNTY OF ESSEX, NEW JERSEY, APPROPRIATING \$1,215,000 THEREFORE AND AUTHORIZING THE ISSUANCE OF \$1,157,000 BONDS OR NOTES TO FINANCE PART OF THE COST THEREOF.

BE IT ORDAINED, BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF CEDAR GROVE, IN THE COUNTY OF ESSEX, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

SECTION 1:

The improvement described in Section 3 of this Bond Ordinance (the “Improvement”) is hereby authorized to be undertaken by the Township of Cedar Grove, in the County of Essex, New Jersey (the “Township”) as a general improvement. For the said Improvement there is hereby appropriated the amount of \$1,215,000. Such sum includes the sum of \$58,000 as the down payment (the “Down Payment”) required by the Local Bond Law of the State of New Jersey, constituting Chapter 2 of Title 40A of the New Jersey Statutes, as amended and supplemented (the “Local Bond Law”). The Down Payment is now available by virtue of provision in one or more previously adopted budgets for down payments for capital improvement purposes.

SECTION 2:

In order to finance the additional cost of the Improvements not covered by application of the Down Payment, negotiable bonds of the Township are hereby authorized to be issued in the principal amount of \$1,157,000 pursuant to the provisions of the Local Bond Law (the “Bonds”). In anticipation of the issuance of the Bonds and to temporarily finance said improvements or purposes, negotiable bond anticipation notes of the Township are hereby authorized to be issued in the principal amount not exceeding \$1,157,000 pursuant to the provisions of the Local Bond Law (the “Bond Anticipation Notes” or “Notes”).

SECTION 3:

(a) The Improvements authorized and the purposes for which obligations are to be issued, the estimated cost of each Improvement and the appropriation therefor, the estimated maximum amount of bonds or notes to be issued for each Improvement and the period of usefulness of each Improvement are as follows:

<u>Improvements</u>	<u>Appropriation and Estimated Cost</u>	<u>Estimated Maximum Amount of Bonds or Notes</u>	<u>Period of Usefulness</u>
1) Police vehicle conversion equipment, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	\$ 30,000	28,567	5 Years
2) Road Overlay Program, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	200,000	190,452	10 Years
3) Acquisition of turf management equipment, including all costs, improvements, equipment and/or	15,000	14,284	15 Years

<u>Improvements</u>	<u>Appropriation and Estimated Cost</u>	<u>Estimated Maximum Amount of Bonds or Notes</u>	<u>Period of Usefulness</u>
appurtenances necessary therefore and/or related thereto.			
4) Acquisition of dump truck with plow and spreader, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	200,000	190,452	5 Years
5) Installation of Bocce Court lighting and community park benches, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	15,000	14,284	15 Years
6) Acquisition of Fire Department safety equipment, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	8,000	7,618	15 Years
7) Tree Replanting Program, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	40,000	38,090	5 Years
8) Replacement of Town Hall roof and cupola, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	300,000	285,679	15 Years
9) North End Fire House architectural services, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	125,000	119,034	15 Years
10) Curb and side-walk replacement program, including all costs,	12,000	11,427	10 Years

<u>Improvements</u>	<u>Appropriation and Estimated Cost</u>	<u>Estimated Maximum Amount of Bonds or Notes</u>	<u>Period of Usefulness</u>
improvements, equipment and/or appurtenances necessary therefore and/or related thereto.			
11) Brunswick Road roadway design, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	38,000	36,186	10 Years
12) Acquisition of a pick-up truck for Department of Public Works, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	40,000	38,090	5 Years
13) Acquisition of computer hardware and software, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	12,000	11,427	5 Years
14) Cedar Grove Community Center Plans and improvements, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	100,000	95,230	15 Years
15) Replacement of windows at Municipal Building, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	10,000	9,522	15 Years
16) Acquisition of turnout gear for Fire Department, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	70,000	66,658	5 Years
TOTAL	\$1,215,000	\$1,157,000	

(b) The estimated maximum amount of Bonds or Notes to be issued for the purpose of financing a portion of the cost of the Improvements is \$1,157,000.

(c) The estimated cost of the Improvements is \$1,215,000 which amount represents the initial appropriation made by the Township. The excess of the appropriations made for each of the Improvements over the estimated maximum amount of Bonds or Notes authorized to be issued therefor is the amount of the Down Payment for each purpose.

SECTION 4:

All Bond Anticipation Notes issued hereunder shall mature at such times as may be determined by the chief financial officer of the Township (the "Chief Financial Officer"); provided that no Note shall mature later than one year from its date. The Notes shall bear interest at such rate or rates and be in such form as may be determined by the Chief Financial Officer. The Chief Financial Officer shall determine all matters in connection with Notes issued pursuant to this ordinance, and the signature of the Chief Financial Officer upon the Notes shall be conclusive evidence as to all such determinations. All Notes issued hereunder may be renewed from time to time subject to the provisions of Section 8(a) of the Local Bond Law. The Chief Financial Officer is hereby authorized to sell part or all of the Notes from time to time at public or private sale and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their dates to the date of delivery thereof. The Chief Financial Officer is directed to report in writing to the Township Council of the Township at the meeting next succeeding the date when any sale or delivery of the Notes pursuant to this ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the Notes sold, the price obtained and the name of the purchaser.

SECTION 5:

The capital budget of the Township is hereby amended to conform with the provisions of this ordinance to the extent of any inconsistency herewith. The resolution in the form promulgated by the Local Finance Board showing full detail of the amended capital budget and capital program as approved by the Director, Division of Local Government Services, Department of Community Affairs, State of New Jersey is on file with the Township Clerk and is available for public inspection.

SECTION 6:

The following additional matters are hereby determined, declared, recited and stated:

(a) The Improvements described in Section 3 of this bond ordinance are not current expenses, and are capital improvements or properties that the Township may lawfully make or acquire as general improvements, and no part of the cost thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The average period of usefulness of the Improvements, within the limitations of the Local Bond Law, taking into consideration the respective amounts of all obligations authorized for the several purposes, according to the reasonable life thereof computed from the date of the Bonds authorized by this bond ordinance, is 10.74 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Township Clerk and a complete executed duplicate thereof has been filed in the office of the Director, Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such statement shows that the gross debt of the Township, as defined in the Local Bond Law, is increased by the authorization of the Bonds and Notes provided in this bond ordinance by \$1,157,000 and the obligations authorized herein will be within all debt limitations prescribed by the Local Bond Law.

(d) An aggregate amount not exceeding \$200,000 for items of expense listed in and permitted under Section 20 of the Local Bond Law is included in the estimated cost of the Improvements, as indicated herein.

SECTION 7:

Any funds received from time to time by the Township as contributions in aid of financing the purposes described in Section 3 of this Ordinance shall be used for financing said Improvements by application thereof either to direct payment of the cost of said Improvements or to the payment or reduction of the authorization of the obligations of the Township authorized therefor by this Bond Ordinance. Any such funds received may, and all such funds so received which are not required for direct payment of the cost of said Improvements shall, be held and applied by the Township as funds applicable only to the payment of obligations of the Township authorized by this Bond Ordinance.

SECTION 8:

The full faith and credit of the Township are hereby pledged to the punctual payment of the principal of and interest on the obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the Township, and the Township shall be obligated to levy ad valorem taxes upon all the taxable property within the Township for the payment of the obligations and the interest thereon without limitation of rate or amount.

SECTION 9:

The Chief Financial Officer of the Township is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the Township and to execute such disclosure document on behalf of the Township. The Chief Financial Officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Township pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of obligations of the Township and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the Township fails to comply with its undertaking, the Township shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

SECTION 10:

This Bond Ordinance constitutes a declaration of official intent under Treasury Regulation Section 1.150-2. The Township reasonably expects to pay expenditures with respect to the Improvements prior to the date that Township incurs debt obligations under this Bond Ordinance. The Township reasonably expects to reimburse such expenditures with the proceeds of debt to be incurred by the Township under this Bond Ordinance. The maximum principal amount of debt expected to be issued for payment of the costs of the Improvements is \$1,157,000.

SECTION 11:

This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

Councilman Maceri moved that Pending Bond Ordinance #21-872 be passed at first reading, published in the Verona-Cedar Grove Times as a pending ordinance with a public hearing of June 7, 2021, seconded by Councilman Zichelli, and passed by the following vote:

AYE: Councilmember Cicala, Maceri, Zichelli, Deputy Mayor Tanella, Mayor Peterson

NO: None

- c) To consider introduction of Pending Bond Ord. #21-873 – Various Water Utility Improvements

The Clerk read the Ordinance by title only:

PENDING BOND ORDINANCE # 21-873

BOND ORDINANCE AUTHORIZING VARIOUS WATER UTILITY IMPROVEMENTS IN AND FOR THE TOWNSHIP OF CEDAR GROVE, IN THE COUNTY OF ESSEX, NEW JERSEY, APPROPRIATING \$105,000 THEREFORE AND AUTHORIZING THE ISSUANCE OF \$105,000 BONDS OR NOTES TO FINANCE PART OF THE COST THEREOF

BE IT ORDAINED, BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF CEDAR GROVE, IN THE COUNTY OF ESSEX, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

SECTION 1:

The improvements described in Section 3 of this bond ordinance (the “Improvements”) are hereby authorized to be undertaken by the Township of Cedar Grove, New Jersey (the “Township”) as general improvements. For the said Improvements there is hereby appropriated the amount of \$105,000. No down payment is required by the Local Bond Law of the State of New Jersey, constituting Chapter 2 of Title 40A of the New Jersey Statutes, as amended and supplemented (the “Local Bond Law”) as the purpose authorized herein is deemed self-liquidating and the obligations authorized herein are deductible from the gross debt of the Township, as more fully explained in Section 6(e) of this ordinance.

SECTION 2:

In order to finance the additional cost of the Improvements, negotiable bonds of the Township are hereby authorized to be issued in the principal amount of \$105,000 pursuant to the provisions of the Local Bond Law (the “Bonds”). In anticipation of the issuance of the Bonds and to temporarily finance said improvements or purposes, negotiable bond anticipation notes of the Township are hereby authorized to be issued in the principal amount not exceeding \$105,000 pursuant to the provisions of the Local Bond Law (the “Bond Anticipation Notes” or “Notes”).

SECTION 3:

(a) The Improvements authorized and the purposes for which obligations are to be issued, the estimated cost of each Improvement and the appropriation therefor, the estimated maximum amount of bonds or notes to be issued for each Improvement and the period of usefulness of each Improvement are as follows:

<u>Improvements</u>	<u>Appropriation and Estimated Cost</u>	<u>Estimated Maximum Amount of Bonds or Notes</u>	<u>Period of Usefulness</u>
1) Annual System Leak Survey, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	15,000	15,000	5 Years
2) Water Meter Replacement, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	90,000	90,000	15 Years
TOTAL	\$105,000	\$105,000	

(b) The estimated maximum amount of Bonds or Notes to be issued for the purpose of financing a portion of the cost of the Improvements is \$105,000.

(c) The estimated cost of the Improvements is \$105,000 which amount represents the initial appropriation made by the Township.

SECTION 4:

All Bond Anticipation Notes issued hereunder shall mature at such times as may be determined by the chief financial officer of the Township (the “Chief Financial Officer”); provided that no Note shall mature later than one year from its date. The Notes shall bear interest at such rate or rates and be

in such form as may be determined by the Chief Financial Officer. The Chief Financial Officer shall determine all matters in connection with Notes issued pursuant to this ordinance, and the signature of the Chief Financial Officer upon the Notes shall be conclusive evidence as to all such determinations. All Notes issued hereunder may be renewed from time to time subject to the provisions of Section 8(a) of the Local Bond Law. The Chief Financial Officer is hereby authorized to sell part or all of the Notes from time to time at public or private sale and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their dates to the date of delivery thereof. The Chief Financial Officer is directed to report in writing to the Township Council of the Township at the meeting next succeeding the date when any sale or delivery of the Notes pursuant to this ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the Notes sold, the price obtained and the name of the purchaser.

SECTION 5:

The capital budget of the Township is hereby amended to conform with the provisions of this ordinance to the extent of any inconsistency herewith. The resolution in the form promulgated by the Local Finance Board showing full detail of the amended capital budget and capital program as approved by the Director, Division of Local Government Services, Department of Community Affairs, State of New Jersey is on file with the Township Clerk and is available for public inspection.

SECTION 6:

The following additional matters are hereby determined, declared, recited and stated:

(a) The Improvements described in Section 3 of this bond ordinance are not current expenses, and are capital improvements or properties that the Township may lawfully make or acquire as general improvements, and no part of the cost thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The average period of usefulness of the Improvements, within the limitations of the Local Bond Law, taking into consideration the respective amounts of all obligations authorized for the several purposes, according to the reasonable life thereof computed from the date of the Bonds authorized by this bond ordinance, is 13.57 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Township Clerk and a complete executed duplicate thereof has been filed in the office of the Director, Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such statement shows that the gross debt of the Township, as defined in the Local Bond Law, is increased by the authorization of the Bonds and Notes provided in this bond ordinance by \$105,000 and the obligations authorized herein will be within all debt limitations prescribed by the Local Bond Law.

(d) An aggregate amount not exceeding \$15,000 for items of expense listed in and permitted under Section 20 of the Local Bond Law is included in the estimated cost of the Improvements, as indicated herein.

(e) This bond ordinance authorizes obligations of the Township solely for a purpose described in paragraph (h) of Section 40A:2-7 of the Local Bond Law, and the obligations authorized by this bond ordinance are to be issued for a purpose which is self-liquidating within the meaning and limitation of Section 40A:2-45 of said Local Bond Law and are deductible pursuant to paragraph (c) of Section 40A:2-44 et. seq. of said Local Bond Law from the gross debt of the Township.

SECTION 7:

Any funds received from time to time by the Township as contributions in aid of financing the purposes described in Section 3 of this Ordinance shall be used for financing said Improvements by application thereof either to direct payment of the cost of said Improvements or to the payment or reduction of the authorization of the obligations of the Township authorized therefor by this Bond Ordinance. Any such funds received may, and all such funds so received which are not required for direct payment of the cost of said Improvements shall, be held and applied by the Township as funds applicable only to the payment of obligations of the Township authorized by this Bond Ordinance.

SECTION 8:

The full faith and credit of the Township are hereby pledged to the punctual payment of the principal of and interest on the obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the Township, and the Township shall be obligated to levy ad valorem taxes upon all the taxable property within the Township for the payment of the obligations and the interest thereon without limitation of rate or amount.

SECTION 9.

The Chief Financial Officer of the Township is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the Township and to execute such disclosure document on behalf of the Township. The Chief Financial Officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Township pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of obligations of the Township and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the Township fails to comply with its undertaking, the Township shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

SECTION 10:

This Bond Ordinance constitutes a declaration of official intent under Treasury Regulation Section 1.150-2. The Township reasonably expects to pay expenditures with respect to the Improvements prior to the date that Township incurs debt obligations under this Bond Ordinance. The Township reasonably expects to reimburse such expenditures with the proceeds of debt to be incurred by the Township under this Bond Ordinance. The maximum principal amount of debt expected to be issued for payment of the costs of the Improvements is \$105,000.

SECTION 11:

This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

Councilman Zichelli moved that Pending Bond Ordinance #21-873 be passed at first reading, published in the Verona-Cedar Grove Times as a pending ordinance with a public hearing of June 7, 2021, seconded by Councilman Cicala, and passed by the following vote:

AYE: Councilmember Cicala, Maceri, Zichelli, Deputy Mayor Tanella, Mayor Peterson

NO: None

- d) To consider introduction of Pending Bond Ord. #21-874 – Various Sewer Utility Improvements

The Clerk read the Ordinance by title only:

PENDING BOND ORDINANCE # 21-874

BOND ORDINANCE AUTHORIZING VARIOUS SEWER UTILITY IMPROVEMENTS IN AND FOR THE TOWNSHIP OF CEDAR GROVE, IN THE COUNTY OF ESSEX, NEW JERSEY, APPROPRIATING \$400,000 THEREFORE AND AUTHORIZING THE ISSUANCE OF \$400,000 BONDS OR NOTES TO FINANCE PART OF THE COST THEREOF.

BE IT ORDAINED, BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF CEDAR GROVE, IN THE COUNTY OF ESSEX, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

SECTION 1:

The improvements described in Section 3 of this bond ordinance (the “Improvements”) are hereby authorized to be undertaken by the Township of Cedar Grove, New Jersey (the “Township”) as general improvements. For the said Improvements there is hereby appropriated the amount of \$400,000. No down payment is required by the Local Bond Law of the State of New Jersey, constituting Chapter 2 of Title 40A of the New Jersey Statutes, as amended and supplemented (the “Local Bond Law”) as the purpose authorized herein is deemed self-liquidating and the obligations authorized herein are deductible from the gross debt of the Township, as more fully explained in Section 6(e) of this ordinance.

SECTION 2:

In order to finance the additional cost of the Improvements, negotiable bonds of the Township are hereby authorized to be issued in the principal amount of \$400,000 pursuant to the provisions of the Local Bond Law (the “Bonds”). In anticipation of the issuance of the Bonds and to temporarily finance said improvements or purposes, negotiable bond anticipation notes of the Township are hereby authorized to be issued in the principal amount not exceeding \$400,000 pursuant to the provisions of the Local Bond Law (the “Bond Anticipation Notes” or “Notes”).

SECTION 3:

(a) The Improvements authorized and the purposes for which obligations are to be issued, the estimated cost of each Improvement and the appropriation therefor, the estimated maximum amount of bonds or notes to be issued for each Improvement and the period of usefulness of each Improvement are as follows:

<u>Improvements</u>	<u>Appropriation and Estimated Cost</u>	<u>Estimated Maximum Amount of Bonds or Notes</u>	<u>Period of Usefulness</u>
1) Replacement of Rotating Biological Contactor, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	\$200,000	\$200,000	15 Years
2) Sewer Infiltration Project, including all costs, improvements, equipment and/or appurtenances necessary therefore and/or related thereto.	200,000	200,000	40 Years
TOTAL	\$400,000	\$400,000	

(b) The estimated maximum amount of Bonds or Notes to be issued for the purpose of financing a portion of the cost of the Improvements is \$400,000.

(c) The estimated cost of the Improvements is \$400,000 which amount represents the initial appropriation made by the Township.

SECTION 4:

All Bond Anticipation Notes issued hereunder shall mature at such times as may be determined by the chief financial officer of the Township (the “Chief Financial Officer”); provided that no Note shall mature later than one year from its date. The Notes shall bear interest at such rate or rates and be in such form as may be determined by the Chief Financial Officer. The Chief Financial Officer shall determine all matters in connection with Notes issued pursuant to this ordinance, and the signature of the Chief Financial Officer upon the Notes shall be conclusive evidence as to all such determinations. All Notes issued hereunder may be renewed from time to time subject to the provisions of Section 8(a) of the Local Bond Law. The Chief Financial Officer is hereby authorized to sell part or all of the Notes from time to time at public or private sale and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their dates to the date of delivery thereof. The Chief Financial Officer is directed to report in writing to the Township Council of the Township at the meeting next succeeding the date when any sale or delivery of the Notes pursuant to this ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the Notes sold, the price obtained and the name of the purchaser.

SECTION 5:

The capital budget of the Township is hereby amended to conform with the provisions of this ordinance to the extent of any inconsistency herewith. The resolution in the form promulgated by the Local Finance Board showing full detail of the amended capital budget and capital program as approved by the Director, Division of Local Government Services, Department of Community Affairs, State of New Jersey is on file with the Township Clerk and is available for public inspection.

SECTION 6:

The following additional matters are hereby determined, declared, recited and stated:

(a) The Improvements described in Section 3 of this bond ordinance are not current expenses, and are capital improvements or properties that the Township may lawfully make or acquire as general improvements, and no part of the cost thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The average period of usefulness of the Improvements, within the limitations of the Local Bond Law, taking into consideration the respective amounts of all obligations authorized for the several purposes, according to the reasonable life thereof computed from the date of the Bonds authorized by this bond ordinance, is 27.50 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Township Clerk and a complete executed duplicate thereof has been filed in the office of the Director, Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such statement shows that the gross debt of the Township, as defined in the Local Bond Law, is increased by the authorization of the Bonds and Notes provided in this bond ordinance by \$400,000 and the obligations authorized herein will be within all debt limitations prescribed by the Local Bond Law.

(d) An aggregate amount not exceeding \$25,000 for items of expense listed in and permitted under Section 20 of the Local Bond Law is included in the estimated cost of the Improvements, as indicated herein.

(e) This bond ordinance authorizes obligations of the Township solely for a purpose described in paragraph (h) of Section 40A:2-7 of the Local Bond Law, and the obligations authorized by this bond ordinance are to be issued for a purpose which is self-liquidating within the meaning and limitation of Section 40A:2-45 of said Local Bond Law and are deductible pursuant to paragraph (c) of Section 40A:2-44 et. seq. of said Local Bond Law from the gross debt of the Township.

SECTION 7:

Any funds received from time to time by the Township as contributions in aid of financing the purposes described in Section 3 of this Ordinance shall be used for financing said Improvements by application thereof either to direct payment of the cost of said Improvements or to the payment or reduction of the authorization of the obligations of the Township authorized therefor by this Bond Ordinance. Any such funds received may, and all such funds so received which are not required for

direct payment of the cost of said Improvements shall, be held and applied by the Township as funds applicable only to the payment of obligations of the Township authorized by this Bond Ordinance.

SECTION 8:

The full faith and credit of the Township are hereby pledged to the punctual payment of the principal of and interest on the obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the Township, and the Township shall be obligated to levy ad valorem taxes upon all the taxable property within the Township for the payment of the obligations and the interest thereon without limitation of rate or amount.

SECTION 9:

The Chief Financial Officer of the Township is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the Township and to execute such disclosure document on behalf of the Township. The Chief Financial Officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Township pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of obligations of the Township and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the Township fails to comply with its undertaking, the Township shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

SECTION 10:

This Bond Ordinance constitutes a declaration of official intent under Treasury Regulation Section 1.150-2. The Township reasonably expects to pay expenditures with respect to the Improvements prior to the date that Township incurs debt obligations under this Bond Ordinance. The Township reasonably expects to reimburse such expenditures with the proceeds of debt to be incurred by the Township under this Bond Ordinance. The maximum principal amount of debt expected to be issued for payment of the costs of the Improvements is \$400,000.

SECTION 11:

This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

Councilman Cicala moved that Pending Bond Ordinance #21-874 be passed at first reading, published in the Verona-Cedar Grove Times as a pending ordinance with a public hearing of June 7, 2021, seconded by Councilman Zichelli, and passed by the following vote:

AYE: Councilmember Cicala, Maceri, Zichelli, Deputy Mayor Tanella, Mayor Peterson

NO: None

- e) To consider introduction of 2021 Municipal Budget

The following resolution had been posted on the bulletin board, and a brief synopsis was given by the Township Clerk:

BE IT RESOLVED that the following statements of revenues and appropriations shall constitute the Municipal Budget for the year 2021; and

BE IT FURTHER RESOLVED that a summary of said budget be published in the Verona-Cedar Grove Times in the issue of June 10, 2021.

BE IT FURTHER RESOLVED that a Hearing on the Budget and Tax Resolution will be held at the Municipal Building on June 21, 2021 at which time and place objections to said Budget and Tax Resolution for the year 2020 may be presented by taxpayers or other interested persons.

General Appropriations for:

1.	Appropriations within "CAPS"	
	(a) Municipal Purposes	\$13,232,550.84
2.	Appropriations excluded from "CAPS"	
	(a) Municipal Purposes	\$ 4,327,737.26
3.	Reserve for Uncollected Taxes	\$ 560,000.00
4.	Total General Appropriations	\$18,120,288.10
5.	Less Anticipated Revenues Other Than Current Property Tax	\$ 6,429,613.25
6.	Difference: Amount to be raised by taxes	
	(a) Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	\$ 10,885,019.37
	(b) Addition to Local District School Tax	
	(c) Minimum Library Tax	\$ 805,655.48

The Township Manager provided an overview of the 2021 municipal budget. Mr. Tucci advised that the 2021 municipal budget total general appropriation is \$18,120,288 vs. \$16,356,134 for 2020, an increase of approximately \$1,764,154, much of which is outside of the CAP for debt service payments. Mr. Tucci further advised that the amount to be raised by taxation for municipal purposes is \$10,885,019, which is \$1,580,644 under the maximum allowable CAP limit. Mr. Tucci cited factors that continue to impact the budget, and noted more aggressive debt service payments proposed in the amount of \$1,506,155. The Manager further noted that the proposed local tax rate is \$0.526, compared to \$0.516 in 2020. Mr. Tucci advised that the average assessed value of a home increased to \$470,900, compared to \$469,600 in 2020 and anticipated a \$54.82 increase in the local portion of the average assessed home's tax levy.

Councilman Zichelli moved adoption of the resolution, seconded by Councilman Maceri, and passed by the following vote:

AYE: Councilmember Cicala, Maceri, Zichelli, Deputy Mayor Tanella, Mayor Peterson

NO: None

f) To consider introduction of 2021 Solid Waste Collection District Budget

The following resolution had been posted on the bulletin board, and a brief synopsis was given by the Township Clerk:

BE IT RESOLVED that the following statements of revenues and appropriations shall constitute the Solid Waste Collection District Budget for the year 2021 and

BE IT FURTHER RESOLVED that a summary of said budget be published in the Verona-Cedar Grove Times in the issue of June 10, 2021; and

BE IT FURTHER RESOLVED that a Hearing on the Budget and Tax Resolution will be held at the Municipal Building on June 21, 2021 at 7:00 p.m. at which time and place objections to said Budget and Tax Resolution for the year 2021 may be presented by taxpayers or other interested persons;

General Appropriations for:

Total Solid Waste Collection District Appropriations	\$ 1,876,269.00
Amount to be raised by Taxation for Support of Solid Waste Collection District	\$ 1,619,090.00

Councilman Zichelli moved adoption of the resolution, seconded by Councilman Cicala, and passed by the following vote:

AYE: Councilmember Cicala, Maceri, Zichelli, Deputy Mayor Tanella, Mayor Peterson

NO: None

g) To consider resolution concerning deferral of school tax levy

The following resolution had been posted on the bulletin board, and a brief synopsis was given by the Township Clerk:

WHEREAS, the Local School District Tax for the year July 1, 2020 to June 30, 2021 was raised in the 2020 Tax Levy in the sum of \$30,789,633.00 ; and

WHEREAS, the statutes permit the deferral of the cash liability of such School Tax up to fifty (50%) of the School Tax Levy or \$15,394,816.50.

NOW, THEREFORE, BE IT RESOLVED, by the Township Council of the Township of Cedar Grove, that the Deferred School Tax for the Local School District be increased from the sum of \$14,985,801.50 which was deferred as of December 31, 2019 to the sum of \$15,394,816.50.

BE IT FURTHER RESOLVED that the certified copies of this resolution be filed with the Director of the Division of Local Government Services.

Councilman Cicala moved adoption of the resolution, seconded by Councilman Maceri, and passed by the following vote:

AYE: Councilmember Cicala, Maceri, Zichelli, Deputy Mayor Tanella, Mayor Peterson

NO: None

- h) To consider resolution concerning anticipation of revenues in 2021 Swimming Pool Utility Budget

The following resolution had been posted on the bulletin board, and a brief synopsis was given by the Township Clerk:

RESOLUTION TO ANTICIPATE MISCELLANEOUS REVENUES IN THE 2021 SWIMMING POOL UTILITY BUDGET USING THE THREE-YEAR AVERAGE OF REALIZED REVENUES FROM THE PRIOR THREE YEARS

WHEREAS, the COVID-19 pandemic had an adverse effect on the anticipated municipal revenues in the 2020 Swimming Pool Utility Budget; and

WHEREAS, Section 1 of P.L. 2020, c.74 amended N.J.S.A 40A:4-26 authorized the Director of the Division of Local Government Services (“Division”) to promulgate new standards for the anticipation of COVID-19 affected revenues in the 2021 Swimming Pool Utility Budget, and, if necessary, in future years and

WHEREAS, for 2021, the Director authorizes the use of a three-year average for the calculation of affected revenues; and

WHEREAS, the Chief Financial Officer of the Township of Cedar Grove, certifies that the following revenues were affected in 2020 by the COVID-19 pandemic and that the 3-year average of the amounts realized in 2018-2020 be anticipated in the introduced Swimming Pool Utility Budget for 2021;

<u>Revenue Category</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Average</u>
Membership Fees	\$369,392.86	\$428,217.78	\$0.00	\$265,870.21
Miscellaneous	\$36,381.87	\$39,395.39	\$161.59	\$25,312.95

NOW, THEREFORE BE IT RESOLVED by the Township Council of the Township of Cedar Grove in the County of Essex, State of New Jersey that the above referenced revenues be anticipated in the 2021 Swimming Pool Utility Budget using the 3-year average as permitted by the amendments to 40A: 4-26, adopted by the P.L. 2020, c. 74.

Deputy Mayor Tanella moved adoption of the resolution, seconded by Councilman Zichelli, and passed by the following vote:

AYE: Councilmember Cicala, Maceri, Zichelli, Deputy Mayor Tanella, Mayor Peterson

NO: None

3. MEETING OPEN TO RESIDENTS OF THE TOWNSHIP WISHING TO BE HEARD ON ANY ITEM ON THE AGENDA

Mayor Peterson opened this portion of the meeting to anyone wishing to be heard on any item on the agenda.

Jim Moldow; 139 Aspen Drive – Mr. Moldow requested that the Township consider additional striping of the existing tennis courts for pickleball purposes. Mr. Moldow commented on the rising popularity of pickleball.

Dave Jodra; 92 Aspen Drive – Mr. Jodra expressed concern regarding recent bb gun shooting incident. The Manager advised that the matter is under investigation by the Police Department and area surveillance has been increased. Mr. Jodra requested Title 39 enforcement on the roadways within the new Hilltop development. The Manager explained the procedure to effect Title 39 enforcement once the roadways are dedication to the Township by the developer.

Jim Moldow; 139 Aspen Drive – Mr. Moldow expressed concern regarding access for emergency vehicles within the Hilltop development and further commented that lack of Title 39 enforcement is a safety issue.

There being no one else present wishing to be heard, Mayor Peterson closed this portion of the meeting.

4. ADJOURNMENT

Councilman Cicala moved adjournment of the meeting, seconded by Councilman Zichelli, and passed by the following vote:

AYE: Councilmember Cicala, Maceri, Zichelli, Deputy Mayor Tanella, Mayor Peterson

NO: None

The meeting adjourned at 7:37 p.m.

KERRY PETERSON

MAYOR

ATTEST:

KATHLEEN R. STUTZ MUNICIPAL CLERK